CLASSIFICATION Approved Fockbillerse 2002 14 4 14 RDF82-00457R004300660002-1 INFORMATION REPORT DATE DISTR. 16 March 1948 COUNTRY Austria Nationalization of Austrian CONFIDENTIAL Electrical Industrial NO. OF PAGES **SUBJECT** 25X1 CENTER LIBRAR NO. OF ENCLS. ACQUIRED 25X1 SUPPLEMENT TO DATE OF IMF REPORT NO. THIS OCCUMENT CONTAINS INFORMATION APPECIANG THE MATIONAL DEFENSE PF THE UNITED STATES WITHIN THE MEANING OF THE ESTIDANGE ACT SO PS C. 3: AND 32 AS AMERICO. ITS PRANSHAISION OR THE REVELATION PF ITS CONTENTS IN ANY MANNER TO AN UNAUTHORIZED PERSON IS PRO-MISTED BY LAW. REPRODUCTION OF THIS FORM IS PROHIBITED NOW THE IMPORTATION CONTRINED IN BODY OF THE FORM MAY BE UTILIZED. 25X1 THIS IS UNEVALUATED INFORMATION FOR THE RESEARCH USE OF TRAINED INTELLIGENCE ANALYSTS ER IMPORESTION CONTAINED IN BODY OF THE F DEEMED NECESSARY BY THE RECEIVING AGENCY. 25X1 SOURCE 25X1 After being drafted early in November 1947, and temporarily set aside, a plan for the nationalization of the Austrian electrical industry is once again under discussion. Minister Krauland, on his own initiative, under took to appoint a committee to consider all problems concerning the electrical industry and its nationalization. The project is fostered by Dr. Krauland and his State Secretary, Karl Mantler. Opposed to the nationalization scheme are Foreign Minister Dr. Gruber, Engineer Julius Raub, president of the Federal Chamber of Commerce, and Nationalrat Reiter. Chancellor Figl's attitude has not been reported. 2. In the event that the nationalization law should actually be put into effect the large electrical manufacturers, such as AEG-Union, Siemens-Schuckert, and Elin A.G., would be merged into one concern entitled Austrian Holding Company for the Electrical Industry (Oesterreichische Holdinggesellschaft der Elektroindustrie). At first, the company would include only those plants which currently operate under Austrian control only. After the settlement of the German property question, and the return of contested properties to Austrian hands, all electrical enterprises would be taken into the holding company. 3. According to the plan now being considered, the holding company will have the following four directors: Administrative director: Generaldirektor Alfred Marquet, at present director and first public administrator of the Siemens-Schuckert factories. Commercial director: Direktor Johann Zehetner, now commercial director of the Siemens-Schuckert works in Vienna I. Nibelungengasse. Technical director (heavy current industry): Engineer Rudolf David, second public administrator of the Siemens-Schuckert factories. **CLASSIFICATION** STATE X NAVY X NSRB DISTRIBUTION X AIR ARMY

CENTRAL INTELLIGENCE AGENCY

-2-

25X1A

25X1A

Technical director (low current industry):

Dpl. Engineer Hugo Schedlbauer, director of Siemens & Halske A.G.

- 4. The central direction of Siemens-Schuckert in Vienna I, Nibelungengasse, has drawn up a plan for the future administration of its Austrian factories, including the plants now under Soviet administration. The Siemens enterprises would be governed by a General-Direktion consisting of a general director, a commercial director, and a technical director and would have the following subordinate divisions:
 - a. Central Administration;

Finance department

Planning office

Archives and library

Patent and legal office

Publicity and price list department

Social administration office

Central construction office

b. The central factory management would be headed by a commercial manager (Disponent Putz has been suggested for the position) and a technical manager (Huber, now technical manager of the Soviet-administered Siemens plant in Vienna XX, Engerthstrasse, is being considered for this position). This department will superintend the following plants:

Plant I - Vienna II, Engerthstrasse 150

Plant II - Vienna XXI, Siemensstrasse 80

Plant III - Vienna XXI, Siemensstrasse 88

Siemens-Reiniger Werke A.G. (electro-medical apparatus), Vienna VIII, Kaiserstrasse 39, and Vienna VIII, Alserstrasse 21

J. Odelga A.G. (medical-technical production)

All branches of Siemens-Schucker+ I (Nibelungengasse) established since 1946 in Vienna and the provinces.

c. A sales department, headed by a commercial and technical manager (Disponent Eisenbach of Siemens-Schuckert I will be suggested for the position). This department will have offices in Vienna and abroad and will consist of the following subsections:

Sales and production of small articles

Construction of industrial plants

Construction of central electric stations, long distance power lines, and power plants

Electric railways, trolley cars



-3-

25X	1	Λ
Z3/\	. 1	$\overline{}$

- 5. Source estimates that within the framework of the above organizational scheme, Siemens-Schuckert enterprises in Austria would shortly be able to achieve a yearly turnover of 500 million schillings, barring the possibility of Soviet dismentling of the Siemens plants at present under Soviet administration. In the period from 1925 to 1938, the average yearly turnover of the Siemens enterprises in Austria amounted to 1 million gold schillings. At this time, Siemens output accounted for about 50% of the total Austrian electrical production for the heavy current industry; the remaining electrical production was supplied by AEG-Union, 20%; Elin A.G., 15%; and Brown-Boveri, 15%. In the low current industry, the largest single producer was Siemens & Halske, Vienna, with 25%, and the remainder was supplied by numerous other smaller companies.
- 6. Under the Siemens organization plan outlined above, the following production scheme is envisaged:
 - a. Construction of heavy machinery such as generators and turbines.
 - b. Construction of large transformers.
 - c. Construction of cranes and other specialized machinery for rolling mills, mines, spinning factories, paper mills, and oil fields.
 - d. High tension lines up to 440 kilovolts.
 - e. Rotary current motors for industry and agriculture.
 - f. Pumps.
 - g. Automotive equipment.
 - h. Construction of street cars and electric locomotives.
 - i. Heaters and hot plates.
 - j. Electric boilers and stoves.
 - k. Light fixtures.
 - 1. Cable and insulated wire, especially lacquered wire.
 - m. Open conductors.
 - n. Planning and construction of electric power plants.

CONFIDENTIAL